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Title: ***RESOLUTION - of the City of Fresno supporting the renewal of Fresno County as a Recycling Market Development Zone (RMDZ) (citywide).

Sponsors: Department of Public Utilities

Indexes:

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Attachments: 1. RMDZ Resolution.pdf

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REPORT TO THE CITY COUNCIL

July 16, 2015

FROM: THOMAS C. ESQUEDA, Director
Department of Public Utilities

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Department of Public Utilities - Solid Waste Management Division

SUBJECT

***RESOLUTION - of the City of Fresno supporting the renewal of Fresno County as a Recycling Market Development Zone (RMDZ) (citywide).

RECOMMENDATION

Staff recommends that Council approve a Resolution supporting the renewal of Fresno County's Recycling Market Development Zone (RMDZ).

EXECUTIVE SUMMARY

The Fresno County RMDZ was formed in 1995 in response to the mandate of the California Integrated Waste Management Act that 50% of solid waste be diverted from landfills. Fresno County RMDZ's designation expired in February 2015. Fresno County is renewing the County's RMDZ designation, and has prepared and submitted the re-designation application to CalRecycle. The County must provide resolutions supporting the continued RMDZ designation from each of the 15

cities participating in the Fresno County RMDZ. The City has been asked to provide a resolution supporting the renewal of RMDZ for an additional ten years, until 2025.

BACKGROUND

The California Integrated Waste Management Act (“IWMP”), passed in 1989, required all California cities and counties to divert 50 percent of all solid waste from landfill or transformation facilities by January 1, 2000, through source reduction, recycling, and composting activities. To facilitate the mandates of the IWMP, California Public Resources Code Section 42010, *et seq.* provides for the establishment of RMDZs statewide. The state’s RMDZ program provides incentives to stimulate development of post-consumer and secondary materials markets for recyclables. CalRecycle administers a Recycling Market Development Zone Loan Program, which provides low-interest loans for the purchase of equipment and other relevant business costs. The intent of the RMDZ Loan Program is to help California manufacturers increase their processing capabilities and create additional markets for recycled-content products.

The Fresno County RMDZ is dedicated to establishing, sustaining and expanding recycling-based manufacturing businesses, which is essential for market development and to assist these jurisdictions in meeting the established landfill waste reduction goals. During the last 20 years, the existing RMDZ has provided development assistance to over 34 businesses/entrepreneurs, including six (6) CalRecycle RMDZ loans totaling over \$4.8 million. The designation of Fresno County RMDZ expired February 23, 2015. The renewal of Fresno County RMDZ as a RMDZ is necessary to facilitate local and regional planning, coordination, and support existing recycling-based manufacturing businesses, as well as attract private sector recycling investments to the RMDZ. The City has been asked to provide a resolution supporting the renewal of RMDZ for an additional ten years, until 2025.

ENVIRONMENTAL FINDINGS

As the Lead Agency, the County prepared and submitted the RMDZ re-designation application and completed the required review of the project for potential environmental effects under the California environmental Quality Act (CEQA). The County determined that the re-designation of the Fresno County RMDZ is exempt from CEQA pursuant to CEQA Guidelines section 15061(b)(3), because the renewal of the RMDZ does not have the potential to cause a significant effect on the environment.

LOCAL PREFERENCE

Local preference is not considered because supporting the renewal of the RMDZ does not include a bid or award of a construction or service contract.

FISCAL IMPACT

The recommended action has no associated costs and there will be no fiscal impact to the General Fund or any City operating funds associated with the recommended action.

Attachment: Resolution